



Orange County District Attorney

Press Release

TONY RACKAUCKAS, District Attorney
401 Civic Center Drive West
Santa Ana, CA 92701

FOR IMMEDIATE RELEASE
Oct. 19, 2000

Contact: DDA Michelle Lyman
(714) 347-8720

ARCO and Thrifty Oil Prosecuted for Polluting Groundwater

SANTA ANA --- The Orange County District Attorney's Office has filed a major lawsuit against two oil companies who have been accused of polluting the soil and/or groundwater at stations in 25 cities.

Defendants Atlantic Richfield Co., Thrifty Oil Co., BP Amoco Corp., ARCO Chemical Corp. and Lyondell Chemical Co. have known since the 1980s that their national network of underground storage tanks leak gasoline into the environment, but did not stop it, according to the complaint. Locally, ARCO and Thrifty have known for more than 10 years about groundwater contamination caused by some of their tanks.

The original complaint, which names only Atlantic Richfield (ARCO), was filed on Jan. 6, 1999. It was amended on Oct. 5, 2000 to include the additional defendants, allege contamination at 116 gas stations countywide, and allege operational violations. Pollution of this nature caused by ARCO, Thrifty and other gas stations could cause Orange County to lose a substantial portion of its water supply.

For example, in one area of North Orange County, groundwater pollution is so bad that two wells cannot be used to provide drinking water to the city of Yorba Linda. The source of this pollution has not been determined.

Since the filing of the original complaint, prosecutors have negotiated with ARCO to start performing required cleanup at their gas stations. Prosecutors have also tried to settle this case since the original filing and renewed their efforts over the past two weeks but unfortunately could not reach an agreement.

Contaminants that have been released into the groundwater include benzene, which may cause cancer; toluene, which adversely affects the brain; and MTBE, which causes drinking water to taste like turpentine and is a suspected carcinogen.

more

According to the complaint, 102 sites have groundwater contamination – 60 involving ARCO and 42 involving Thrifty. Fourteen additional ARCO sites have soil contamination only. Cleanup of all sites is underway, but could take years to complete.

The complaint also alleges hundreds of underground storage tank operational violations such as tampering with leak-detection equipment, failing to perform proper maintenance on their tanks, and operating faulty equipment.

These violations came to the attention of the District Attorney's Office at the end of 1998 when an environmental watchdog group took steps to file a lawsuit. Under the Safe Drinking Water and Toxic Enforcement Act of 1986, district attorneys are notified of any citizen attempt to file a lawsuit and are given the option of taking over the prosecution. This is what happened in this case.

No other district attorney's office in the state is known to have tackled a case involving so many gas stations. The last oil company prosecution in Orange County was very successful, leading to a change in state law. In 1998, Mobil Oil settled a lawsuit for \$1 million for tampering with tank monitoring equipment. As a result, a new law was created that allows prosecutors to file such violations as a criminal case rather than a civil matter.

Fines for operational violations range from \$500 to \$5,000 a day. Penalties for violating cleanup requirements on each gas station can reach \$10,000 per day.

###